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OFFICE OF GENERAL
COUNSEL

June 27, 2011

Ruth Hellizer, Attorney
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

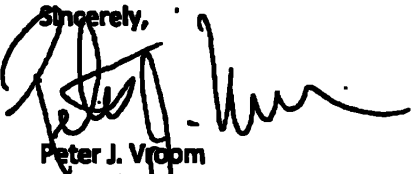
**RE: Supplemental information filing concerning Penske PAC Disaffiliation from the General
Electric PAC – FEC MUR 6455**

Dear Ms. Hellizer,

In reviewing my files I realized I had neglected to send the FEC a sworn notarized copy of the supplemental information filing that I had sent to the FEC on May 2, 2011. I apologize for the delay and have enclosed the sworn document to be included as part of my complaint filing.

Thank you for your assistance.

Sincerely,



Peter J. Vroom

Alexandria, VA 22302

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June 27, 2011

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Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

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RE: FEC MUR 6455 -- Penske PAC Disaffiliation from the General Electric PAC

I am writing per the FEC's invitation to provide additional information relating to MUR 6455 involving the Penske PAC disaffiliation from GEPAC. In particular, I wish to address information contained in Penske's June 16, 2009 FEC AO Request that I know from personal experience to be inaccurate, incomplete and misleading. A notarized sworn copy of this submission is being sent to the FEC under separate cover.

Background

In my initial November 16, 2010 complaint to the FEC I provided documentation relating to Penske's failure in its AO request to inform the FEC of the magnitude of the billions of dollars in loans, advances, guarantees and other financing it receives directly from GE, _____

_____ In response to the FEC's correspondence concerning my initial complaint, on February 8, 2011 I submitted a supplemental complaint outlining Penske and GE's actions in the 2008-2010 election cycle to exceed legally allowable candidate contribution limits had the GE and Penske PACs remained affiliated.

I. GE Continued to Control Penske Truck Leasing's Operations and Finances

In responding to FEC Affiliation Factor C, "*Whether a sponsoring organization or committee has the authority or ability to hire, appoint, demote or otherwise control the officers, or other decision making employees or representatives of another sponsoring organization or committee,*" Penske represented in its AO Request that GE, as a minority "limited partner" of the Penske Truck Leasing Joint Venture, was not involved in its management decisions and regular operations. This statement is completely contradictory with my own personal experience resulting from numerous meetings, phone conversations and email exchanges with Penske's CEO, Brian Hard, Penske Sr. V.P. and General Counsel, Mike Duff and Penske's former V.P., Government Relations, Jim Rosen. In fact, there was a great deal of chaffing and unhappiness expressed to me by Penske's senior executives over the dominant role played by GE in Penske Truck Leasing's daily operations.

A. General Electric Caused Former Penske Truck Leasing V.P. and General Counsel, Jim Rosen, to be removed as General Counsel

Jim Rosen, Penske's former V.P. and General Counsel, described to me in great detail on several occasions how he was replaced as General Counsel at Penske Truck Leasing at GE's insistence.

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Rosen often used the TRALA's offices in Alexandria, Virginia, Washington and on several occasions discussed GE's actions with me in forcing his removal as General Counsel and his belief that GE wanted him gone from Penske entirely. Rosen ultimately decided to hire personal counsel to protect his employment and as a result of threatened litigation by Rosen, Penske subsequently created a new position, titled a demotion for Rosen, as V.P., Government Relations. Rosen was replaced by Mike Duff, Penske's Assistant General Counsel at the time. Duff later confirmed with me that it was GE's intention to remove Rosen entirely and that it was Rosen's threat of a lawsuit that saved his position.

II. GE Significantly Controlled Penske Truck Leasing's Operations and Refused to Allow Penske Truck Leasing President and CEO Brian Hard to Serve as Chairman of the Truck Renting and Leasing Association (TRALA)

Similarly, Brian Hard, Penske President and CEO, informed me after GE Capital Corporation (GECC) had increased its investment in PTL he was at the beck and call of GECC and that his schedule was no longer his own. He further explained to me that his calendar was largely controlled by GE's agenda and when it called its meetings, which was often done at the last minute. When I later attempted to recruit Mr. Hard to serve in the rotation for Chairman of the Truck Renting and Leasing Association (TRALA), where I previously served as CEO, Mr. Hard informed me that GECC must decide what organizations Penske participates in and what roles he can play in those organizations. He later informed me that GECC would not allow him to serve as TRALA Chairman.

II. Penske did Coordinate PAC Contributions with General Electric

In Penske's June 16, 2009 Advisory Opinion request to the FEC, in responding to affiliation factor (J) *Whether the sponsoring organizations or committees have similar patterns of contributions or contributors which indicates a formal or ongoing relationship between the sponsoring organizations or committees.* Penske stated the following:

Penske PAC does not and has not coordinated contributions with GEPAC except to the extent necessary to comply with the shared contribution limits applicable to affiliated organizations (6/16/09 FEC AO Request, Page7).

Penske's statement to the FEC as above shown is inaccurate. I was in a position to know because TRALA's primary responsibility was government relations advocacy. Mr. Rosen and Mr. Duff, respectively, the prior and current administrator of the Penske PAC, both served as Chairmen of TRALA's Government Relations Committee. Because TRALA did not have a political action committee, I would sometimes request Penske's assistance in providing campaign contributions for Members of Congress that our industry wished to support. In some cases, these contributions were then coordinated and/or procured through GEPAC.

III. Penske's Explanation to the FEC of the Non-Involvement of GE in the Creation of the Joint Venture is at Odds with His Own Record

In responding to affiliation factor (I) *Whether a sponsoring organization or committee or its agent had an active or significant role in the formation of another sponsoring organization or committee*, Penske responded.

Although the GE limited partners became involved shortly after the formation of the Joint Venture, they were not involved in the Joint Venture's actual formation. (FEC AO Request, Page 12)

Numerous media reports from GE/Penske's own announcement of the proposed merger, including the New York Times coverage shown below, contradict Penske's representation made to the FEC.

Penske-G.E. Truck Venture

Special to the New York Times

DETROIT, June 5— The Penske Corporation and the General Electric Capital Corporation said today that they had agreed to combine their truck leasing subsidiaries into a joint venture with assets of \$1.5 billion and annual revenues of about \$750 million. The companies said they would not give details of the arrangements until the deal was closed, which is expected to happen before the end of next month...Penske must exercise its option to buy Hertz's 50 percent share before the new joint venture is formed. (June 6, 1988, NY Times)

VI. Penske Failed to Properly Identify that Roger Penske, a General Electric Board member and Brian Hard, a GE Capital Corporation officer, serve as two of the three Advisory Committee Members Representing the Penske Truck Leasing General Partner

At no point in its 13 page FEC AO Request and in its discussion of the FEC's affiliation factors as they relate to GE/Penske does Penske Truck Leasing identify that Roger Penske, a GE Board member, and Brian Hard, a General Electric Capital Corporation officer, serve as two of the three Advisory Committee members representing Penske Truck Leasing on the Joint Venture's five-member Advisory Committee. It is not until page 131 of the exhibits attached to the AO Request that any reference can be found as to the identities of the five Advisory Committee members.

As shown below, despite numerous references made by Penske in the AO Request involving the constituency of the Advisory Committee, not once did Penske reveal the fact that both Roger Penske and Brian Hard held these positions. This information should have been prominently divulged to ensure that the FEC had awareness that four of the five Advisory Committee members (80%) have direct relationships with General Electric as GE/GECC senior executives, officers and directors.

- The Advisory Committee consists of five members - three appointed by the Penske General Partner and two appointed by GE entities. (FEC AO Request, Page 4)
- The Advisory Committee is composed of five members instead of six members and only two members represent GE limited partners. (FEC AO Request, Page 5)
- A Penske affiliate, Penske Truck Leasing Corporation, and not a GE entity, controls the Joint Venture and serves as General Partner with management control. (FEC AO Request, Page 9)

In responding to FEC affiliation factor (E) *Whether a sponsoring organization or committee has common or overlapping officers or employees with another sponsoring organization or committee which indicates a formal or ongoing relationship between the sponsoring organizations or committees;* Penske again makes no mention of the identities of the Advisory Committee members.

Roger Penske, the founder of the Joint Venture, also serves as Chairman of the General Partner, Penske Truck Leasing Corporation, and Chairman of the Board and CEO of both Penske Corporation and Penske Automotive Group, Inc. ("Penske Automotive"). There are no overlapping officers, directors, or employees between the Joint Venture and the GE entities other than the five members of the Advisory Committee and the fact that Roger Penske serves on the Board of Directors of GE. (FEC AO Request, Page 5)

A. Roger Penske and Brian Hard are Engaged In Per Se Conflicts of Interest in their Claim to Represent the Interests of the Penske Partners on the Penske Truck Leasing Advisory Committee

In its AO Request, Penske claimed to be unaware of any "special limitations" placed upon Roger Penske with respect to his position on the GE Board of Directors. They reference only in a footnote an "honorific title" that Brian Hard holds with GECC but they fail to provide the FEC with the title because it would establish that Mr. Hard is an officer of GE Capital Corporation. Obviously, both Mr. Penske and Mr. Hard are closely "affiliated with GE" as a board member and officer, respectively.

We are unaware of any special limitations or benefits placed on or accorded to Roger Penske with respect to his position on the GE board. Separately, the CEO of the Joint Venture holds an honorific title with General Electric Capital Corporation - a holdover from when the Joint Venture was majority owned by GE entities. (FEC AO Request, fn 7, Page 5)

B. General Electric's Conflict of Interest Policy Requires Roger Penske and Brian Hard to Place General Electric's Interests First

As officers and directors of GE/GECC, both Roger Penske and Brian Hard are subject to GE's Code of Ethics and Conflict of Interest Policy, which requires that GE's interests be paramount in any business decisions.

GE's integrity manual, The Spirit & the Letter, applies to all of the Company's directors, officers and employees, including the CEO and all financial professionals. GE's Conflicts of Interest policy and Controllorship policy states: "nothing you do should conflict with your responsibilities to GE."

The obvious question then is whose interests do Roger Penske and Brian Hard represent as members of the Penske Truck Leasing Advisory Committee? As GE Officers/Directors they are clearly bound by GE's Conflict of Interest Policy to place the interests of GE first in their business transactions. Nevertheless, they claim in their FEC A0 Request for Disaffiliation and their SEC Statement of Deconsolidation to represent only the interests of the Penske Partners and not General Electric in their positions on the Penske Truck Leasing Advisory Committee.

V. Penske Failed to Identify that Brian Hard, Penske Truck Leasing President and CEO, also serves as a Director of the Penske Corporation -- the Recipient of Hundreds of Millions of Dollars in GE Investments

Penske Truck Leasing Corporation is a wholly-owned subsidiary of Penske Corporation. Roger Penske, a GE Board Member, is Chairman of the Penske Corporation Board. Brian Hard, Penske Truck Leasing President and CEO, is a General Electric Capital Corporation Operational Officer and has served since 2001 as a Penske Corporation Board member. In his capacity as a Penske Corporation Board member, Mr. Hard makes decisions relating to the activities of Penske Corporation and its numerous subsidiaries. These Penske Corporation subsidiaries have been the recipients of hundreds of millions of dollars in GE investments.

A. General Electric is a Partner and Investor in Penske Capital Partners and its Successor Fund, Transportation Resource Partners

Many of these investments by GE have been made through investment funds controlled by Roger Penske and are subsidiaries themselves of the Penske Corporation.

Transportation Resource Partners ("TRP") seeks to make investments in growth-oriented businesses in the transportation sector. The Fund capitalizes on strategic relationships, commercial synergies, and the transportation expertise of Penske Corporation and its subsidiaries, partners, and affiliates.

To date, Penske Capital Partners and its successor, Transportation Resource Partners, have invested well over \$2 billion, with many of these investments made in Penske subsidiaries such as Penske Automotive Group, a 8% owner of Penske Truck Leasing. Yet, in responding to FEC affiliation factor (H) *Whether a sponsoring organization or committee causes or arranges for funds in a significant amount or on an ongoing basis to be provided to another sponsoring organization or committee*; Penske fails to discuss the actual amounts of GE's investments. Instead, Penske misleadingly describes these financial relationships using the terms "minimal" and "arms length."

- Further, various Penske entities have arm's-length commercial dealings with GE businesses. (Page 6)
- Finally, there are minimal funds otherwise transferred between the Penske affiliates and the GE entities. Although the GE members of the Advisory Committee sometimes use GE-entity funds and resources to fulfill their duties on the Advisory Committee, the commercial arrangements between Penske affiliates and GE entities are at arm's length. (Page 13)
- No GE-affiliated entity owns any voting interest in Penske Corporation or any Penske affiliate. General Electric Credit Corporation of Tennessee, however, has a passive investment until 2013 in the non-voting preferred shares of Penske Truck Leasing Corporation. (FEC AO Request, Page 3, fn 3)

VI. Penske Failed to Report that Roger Penske's Son, a Penske Corporation Board Member, also Serves as a Board Member of Ares Capital Corporation, the Manager of a \$5.1 Billion Investment Fund Primarily Funded by General Electric

In February, 2009, Gregory Penske, the son of Roger Penske and a Penske Corporation Board member, was appointed to the Board of Directors of ARES Capital. Several months later, in October 2009, Ares Capital acquired a \$3.6 billion unconsolidated investment fund, the "Senior Secured Loan Program" (the "SSLP") with more than \$3 billion of its funding provided by GE Capital. At the end of 2010, ARES Capital reported \$5.1 billion of committed capital under the fund.

About Senior Secured Loan Program

The program is co-managed by GE Commercial Finance Investment Advisory Services LLC and Ares Capital Corporation and transactions require approval by both managers. SSLP now has \$5.1 billion of available capital and can hold up to \$300 million in a single transaction for borrowers across a wide range of industry sectors. Senior Secured Loan Program benefits borrowers

by virtue of greater speed, simplicity and certainty, with proven partners. (*Ares Capital, 2011 10-K*)

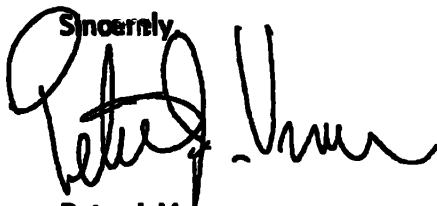
VII. The Penske Corporation Board and its Financial Relationships with General Electric

In drafting its FEC AO Request, Penske appeared to be very much aware that its extremely narrow 50.1%/49.9% "majority ownership" of the Penske Truck Leasing Joint Venture would present difficulties in accomplishing the disaffiliation of Penske PAC from GEPAC. As a result, they concealed and/or misrepresented critical information needed by the FEC in making its AO decision. Among the most glaring omissions was the complete absence of information relating to the numerous financial relationships existing between Penske Corporation, the parent of Penske Truck Leasing, and General Electric entities. The following list showing the members of the Penske Corporation Board of Directors and their known GE financial affiliations would have undoubtedly been of interest to the FEC.

Penske Corporation Board of Directors	General Electric Affiliations	Other Penske Affiliations
Roger Penske, Chairman	Director, General Electric Co., Managing Director, Transportation Resource Partners*, a \$2 billion plus private equity investment firm founded by Roger Penske with GE as an investment partner (formerly known as Penske Capital Partners).	Chairman and CEO, Penske Corporation, Chairman and CEO, Penske Automotive Group, Chairman, Penske Truck Leasing Co., Member, Penske Truck Leasing Advisory Committee
Brian Hard	Officer, General Electric Capital Corporation, a 49.9% owner of the Penske Truck Leasing joint venture.	President and CEO, Penske Truck Leasing Co., Penske Truck Leasing Advisory Committee
Gregory Penske (son)	Director, Ares Capital Corporation, co-manager with GE Commercial Finance of a \$5.1 billion GE fund Investment fund, the Senior Secured Loan Program (SSLP)**, primarily funded by GE.	President and CEO of Penske Motor Group, Inc., Former President and CEO, Penske Motorsports, Inc.
James A. Hilsop	Managing Director, Transportation Resource Partners*, a \$2 billion plus private equity investment firm founded by Roger Penske with GE as an investment partner (formerly known as Penske Capital Partners).	President and CEO, Penske Capital Partners

Richard J. Peters	Managing Director, Transportation Resource Partners*, a \$2 billion plus private equity investment firm founded by Roger Penske with GE as an investment partner (formerly known as Penske Capital Partners).	Former President, Penske Corporation, Board Member, Penske Automotive Group, Former CEO, President and Director of Penske Motorsports
Robert H. Kurnick	President, Penske Automotive Group (formerly United Auto Group), the recipient of investment funds from Transportation Resource Partners and a 9% owner of the Penske Truck Leasing joint venture.	President, Penske Corporation
Roger Penske, Jr. (son)	Former President, Penske Automotive Group (formerly United Auto Group), the recipient of investment funds from Transportation Resource Partners and a 9% owner of the Penske Truck Leasing joint venture.	President and CEO, Penske Honda of Ontario
<p>*Transportation Resource Partners ("TRP") seeks to make investments in growth-oriented businesses in the transportation sector. The Fund capitalizes on strategic relationships, commercial synergies, and the transportation expertise of Penske Corporation and its subsidiaries, partners, and affiliates.</p> <p>**Senior Secured Loan Program was formed in December 2007 with approximately \$3.6 billion of available capital to invest in the senior secured debt of middle-market companies. The program is co-managed by GE Commercial Finance Investment Advisory Services LLC and Ares Capital Corporation and transactions require approval by both managers. SSLP now has \$5.1 billion of available capital and can hold up to \$300 million in a single transaction for borrowers across a wide range of industry sectors. Senior Secured Loan Program benefits borrowers by virtue of greater speed, simplicity and certainty, with proven partners</p>		

Thank you for the opportunity to provide additional information relating to MUR 6455.

Sincerely,

 Peter J. Vroom

Alexandria, VA 22302

Subscribed and sworn to before me on
 this 27 day of June, 2011.

Notary for Peter J. Vroom
VA Dr. L. C. exp 9/29/12.

